



Vancouver Regional Construction Association
Trade Contractors Division Meeting MINUTES

Date: 3:30 – 5pm, March 5, 2024

Location: Virtual via Microsoft Teams

Attendee	Company	Attendee	Company
Derek Fettback - Board Chair	Western Pacific Enterprises Ltd.	Christine Brightman	ACE Excavating
Will Pauga	Southwest Contracting Ltd.	Ken Smith	KBL Environmental (KBL)
Mike Wallis	Flynn Canada Ltd.	Maxine Spakowski	Ferro Building Systems Ltd.
Kimi Liu	Bridge Electric	Ewen MacDonald	Keltic Geomatics Ltd.
Christine Brightman	ACE Excavating Ltd	Richard Pau	Global Rope Access Inc.
Nicolas Thomas	Northstar Access	Sonia Hartwell	Berto Contractors Ltd.
Jason Collett	Dual Mechanical Ltd.	Adam Timler	Metal Building Group
Anh Diep	Western Oil Services Ltd.	Amirali Nafisi	Thermal Systems
Ashley	Livewire Energy Services Ltd.	Jim Coles	Burnco Ready Mix
Jonathan Lashin	Houle Electric	Tim Colebourn	Armtec Inc.

Guests

Chris Atchison	BC Construction Association
Saleh Tousi	Smartt

VRCA Staff

Jeannine Martin, President
Cecile Lopez, Director of Operations
Erin Wormald, Member Experience Specialist

Action Items

Item #	Owner	Action	Timeline
TC240305-1	VRCA	Change the industry feedback survey for the next TC meeting to try to better draw out topics of interest	April 30



AGENDA ITEM	DISCUSSION
1. Welcome & Introductions	Roundtable introductions of attendees.
2. Cybersecurity	<p>Saleh Tousi presented on cybersecurity geared towards the construction ecosystem, why it is important, what an attack looks like specifically in the construction industry, how you can best defend yourself from a cyber-attack and cost information (see Attachment 1).</p> <ul style="list-style-type: none">• Key takeaway: de-stigmatize what happens in a cybersecurity event, the important thing is how you've prepared and how you react to it; that the attitude and culture of the organization is healthy, and there are processes and people in place that know how to react, including speaking transparently, internally and externally about the event.• Q: digital signature risks / A: rule of thumb within an organization is that there should be different thresholds for different values for signatures• Q: digital realm threats / A: the question to ask technical people is what would happen in the worst-case scenario. Once you have identified what is important to you, then that conversation can turn into what systems, process and people training are needed to protect that core.
3. VRCA/BCCA/CCA Updates	<p>BCCA Update</p> <p>Chris Atchison provided an overview of what BCCA does, its mandate to work on workforce development within the industry, and recent efforts on advocacy and prompt payment (see Attachment 2).</p> <ul style="list-style-type: none">• M Spakowski: the federal prompt payment legislation that was enacted in December and is applicable in British Columbia is for federally funded projects only? A: yes, federal legislation only applies to federal projects. In other regions where there is provincial prompt payment legislation, the federal government is deferring to the provincial legislation. <p>VRCA Update</p> <ul style="list-style-type: none">• Jeannine thanked the new members who joined today and started with a membership update, which is up at 840. On advocacy – VRCA is participating in the prompt payment cross-jurisdictional analysis; working on building relationships so we can influence outcomes for construction at the municipal and local government level for the Lower Mainland; hosted several panels at Buildex to help raise the profile of construction. We piloted the Bringing Trades to Schools program a few weeks ago in conjunction with BCIT & Burnaby Board of Trade and had some member firms (PCL, WPE, Division 15 Mechanical, etc) facilitate hands-on training in different trades. We are looking at ways we can scale this program. For events, we have a half-day conference for women in construction called LEAP on March 8, a mixer coming up on March 14 in Abbotsford. The CLF conference is coming up on May 2-4 and more than 50% sold so please get your tickets if interested. April is Construction month and VRCA will host a breakfast on April 15, more info to come. Finally, we are accepting project nominations for the Awards of Excellence until March 31st.



4. Division Updates

Survey Results

Question 1 - What is the biggest issue impacting your business?

- Prompt Payment
- Labour Shortage
- Onerous Contracts
- Low bid, undercutting pricing. Companies go under, right back up again, rinse/repeat.

Question 2 - What are the top two issues/areas you think VRCA should act on in some way?

- Use of CCDC contracts by all parties and prompt payment legislation.
- Prompt payment, Labour Shortage
- Shortage of Labour /actually skilled labour.
- Advocacy for prompt payment. As a bipartisan association, I think that VRCA should have a stronger voice against the onslaught of forced BCIB / Union infrastructure projects. Contrary to the current political party in BC, the wages are very similar to open shop.

Question 3 - What else would you like to discuss with industry peers at the Trade Contractors Division Meeting?

- Impact of an economic slowdown due to interest rate increases.
- Prompt payment and Labour shortage.
- What is coming the next 5 years?
- Should be trade contractor sounding board or feedback regarding poor general contractors. Ex who not paying, lack of PM experience, etc.i swear the subtrades run the jobs and GC mis-manage paperwork due to lack of experience. Broad stroke statements but seems to be a reoccurring theme.
- General conditions in contracts are being edited and revised with more punitive measures against the trades. Very one-sided contracts.

Comments:

- W Pauga: BCCA is working on prompt payment legislation for several years now. CCDC contracts are another issue and unless we as an industry, as trade contractors push back on the GCS, who will then push back on the owners, we're not going to get the change in the contracts. It is important to be selective about who to work for. Employee retention is also a big thing.



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5. Open Forum	<p>Impact of interest rates</p> <ul style="list-style-type: none">W Pauga: we are the first to feel the impact, seeing a slowdown on new developments due to economic constraints. The cost of borrowing for developers is at an all-time high. When interest rates drop, I believe we will see projects starting to move again. <p>Division meetings</p> <ul style="list-style-type: none">M Spakowski: can we use it to get around the challenges of /dedicate some time where we brainstorm around those challengesWP: highlights the value of having a sounding board, to talk to other TC's and share experiences, as many have already dealt with similar issues and/or can provide valuable feedbackAction item: Change the questionnaire a little bit
6. Other/New Business	No new business. The meeting adjourned at 5:09pm.

Attachments:

- 1 – [Cybersecurity for Construction Ecosystem](#)
- 2 – [BCCA Update](#)

Smartt Contact Information

Saleh Tousi, CEO, Smartt
E saleh.tousi@smartt.com D 604.630.7574

Cybersecurity for Construction Ecosystem

Prepared by: Will Hancock, Division Lead & Systems Expert

Presented by: Saleh Tousi, CEO, Smartt



What you will learn today...

- What is Cybersecurity?
- Why should I care?
- What does an attack look like?
- How can I best defend against a Cyberattack?
- How much does this stuff cost?

What is Cybersecurity?

- Cybersecurity is the practice of deploying people, policies, processes and technologies to protect organizations, their critical systems and sensitive information from digital attacks.

(Gartner)



^ Why Should You Care? Risks and loss!

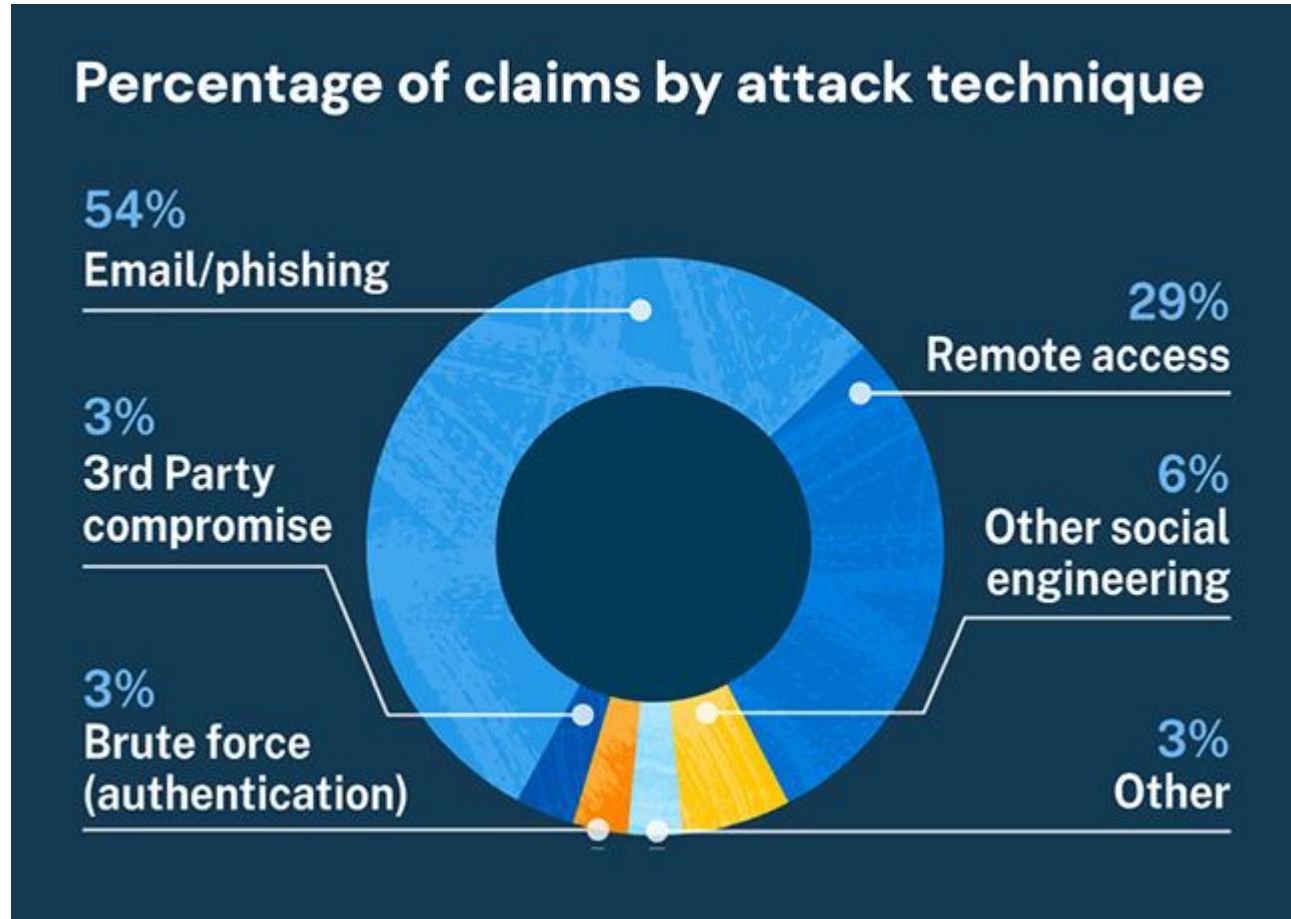


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**Exponential
Combined
Risks and
Loss!!!!!!**



Common Cyber Threats



Common Attack Vectors in Construction



Project Management Software

Cloud or on-premise (local) PM software with sensitive information is breached, then the workflow/details held hostage until ransom is paid (and if not, construction company is debilitated).



Payment Intercept & Phishing (Confidence Scams)

Using a successful phishing attempt to appear as a vendor, then issues invoices which then an internal accountant processes.



End Point Device Penetration

Construction staff devices like mobile phones or laptops are breached (or site assets with lower security protection) then are used to gain access to sensitive data.





Who's at Risk? ANYONE

**Thanks to AI, Attacks Can
Be Indiscriminate AND
Highly Targeted**



▲ How to Protect Your Organization

Plan

- Audit your current environment
- **Build a cyber incident response plan**

Secure

- Encrypt your data
- Implement a password vault
- Implement double-authentication
- Maintain compliance
- **Continuously update** systems and software

Train

- Train employees
- Build cybersecurity training into onboarding program

Monitor

- Use a firewall
- Monitor your network for incidents
- **Use AI-assisted monitoring threat detection tools**

Test

- **Perform penetration tests on** systems
- Perform phishing simulations

Backup

- Backup or replicate your data remotely, preferably in real time



Who Should Be Responsible?

A 2021 Garner survey: CIO, CISO (Chief Information Security Officer) or their equivalent were held accountable for cybersecurity at 85% of organizations. What if you don't have a CIO or large in-house IT team?

	Pros	Cons
Managed Services	<ul style="list-style-type: none">• Instant access to experience and knowledge• Pay for what you need (no need for full time employees)• Leverage partnerships for tool procurement (antivirus, PEN Tests, AI driven network monitoring, etc.)• Continuous, clear accountability	<ul style="list-style-type: none">• Onboarding required as part of initial setup to learn environment details
Third Party Security Assessments	<ul style="list-style-type: none">• Holistic approach to system security• Provides you with a high-level overview of your security• Most assessment reports will also provide recommendations for mitigations of identified risks	<ul style="list-style-type: none">• “Point-in-time” assessment only – full security will require consistent monitoring and maintenance.• May still require in-house or additional services to implement mitigations



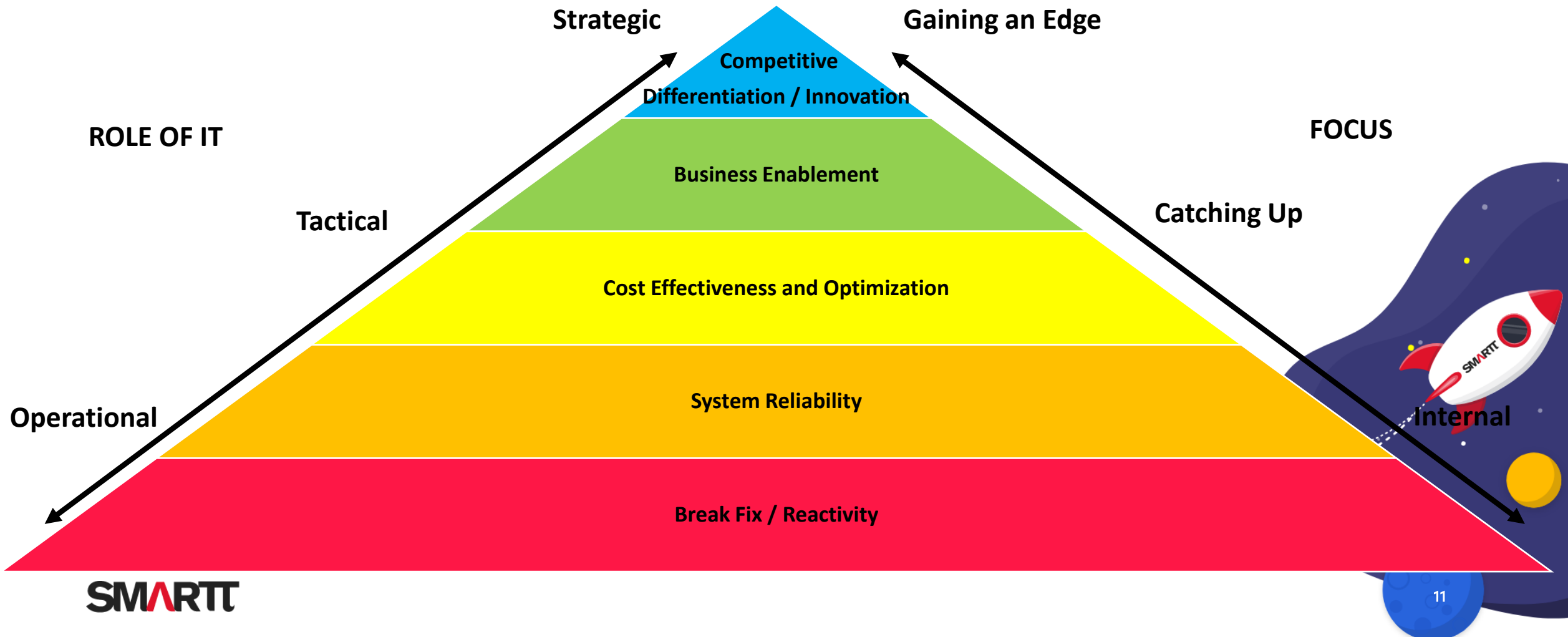
^ Costs

	Costs (no sugar coating)	Considerations
Managed Services	<ul style="list-style-type: none">• \$3,000+ Monthly (at Smartt)	<ul style="list-style-type: none">• Expect to pay some fee for the initial onboarding• Look for willingness to document• Look for established frameworks (so future transition is elegant)
Third Party Security Assessments	<ul style="list-style-type: none">• \$8,000+ per assessment (at Smartt*)	<ul style="list-style-type: none">• 4-6 weeks flight time• Excludes remediation• Aim to do them annually• Avoid purely automated assessments• Look for ISO or equivalent level certifications and frameworks

**We offer a free, self-driven assessment that helps you create a baseline.*



^ It Also Depends On Where Your IT Is At?



Questions?

SMARTT



Get in Touch!

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Attachment 2

BCCA REPORT

MARCH 2024

Presented by: Chris Atchison
President, BCCA



British
Columbia
Construction
Association

BCCA PROGRAMS

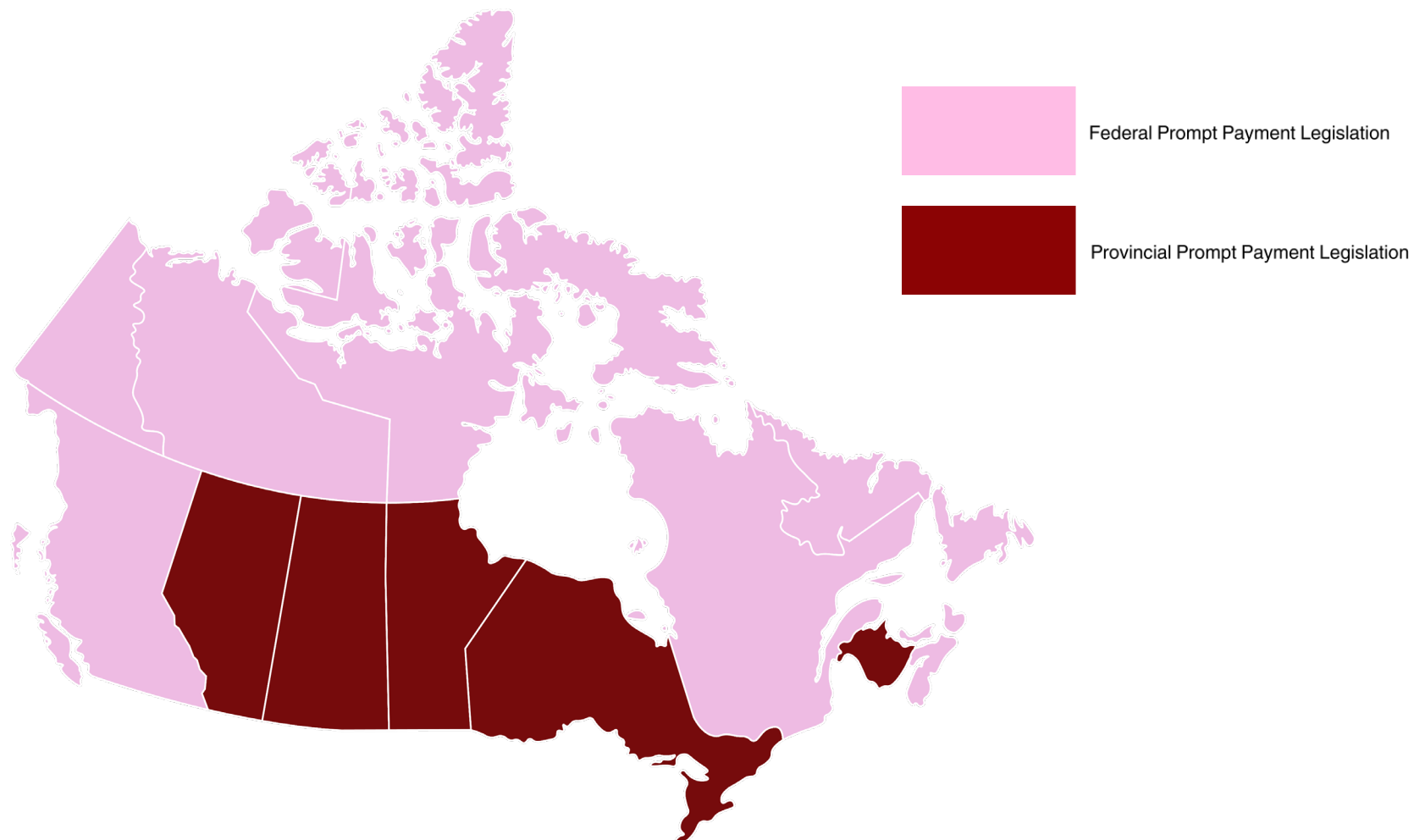
BCCA APPRENTICESHIP SERVICES



BCCA INDUSTRY PRIORITIES

Standard Practices and Prompt Payment

THE STATE OF PROMPT PAYMENT LEGISLATION IN CANADA



WHAT'S HAPPENING IN BC



CROSS-JURISDICTIONAL ANALYSIS AND RECOMMENDATIONS



Cross-jurisdictional Legislative Comparison of Prompt Payment and Adjudication Regimes Across Canada

November, 2023

Prepared by:
Glenn Ackerley and Kathleen Gregus



Applicable Legislation and Transitional Rules					
Ontario	Alberta	Saskatchewan	New Brunswick	Manitoba	Federal
b. prescribing forms and providing for their use; c. for the purposes of subsection 1.1 (5), providing for modifications in the application of portions, provisions or regulations listed in that subsection; d. governing the registry required to be established under clause 13.3 (1) (c); e. governing the setting of fees, costs and charges by the Authorized Nominating Authority under clause 13.3 (2) (a); f. for the purposes of section 13.4, prescribing fees for the training and qualification of persons as adjudicators and for the appointment of adjudicators, and requiring their payment; g. establishing procedures for the making of complaints against the Authorized Nominating Authority; h. governing adjudication procedures; i. governing the procedures for requiring a consolidated adjudication under subsection 13.8 (2), (i.1) governing the determination of fees by the Authorized Nominating	or more prescribed classes of professionals acting in a consultative capacity; iii. respecting an agreement, entity, undertaking or work or a class of agreements, entities, undertakings or works for the purposes of section 1.1(2)(c); iv. prescribing persons or entities, or classes of persons or entities, whether incorporated or not, for the purposes of section 1.1(3); v. prescribing a project agreement or a class of project agreements to finance and undertake an improvement for the purposes of section 1.1(3); vi. respecting the application of any part or all of this Act to a prescribed person, entity or project agreement or to a prescribed class of persons, entities or project agreements for the purposes of section 1.1(3) (PPCLA, s.70(a)). The Lieutenant Governor in Council may make regulations for the purposes of Part 2 and 3 (PPCLA s.70(a.01) and (a.1)). The Lieutenant Governor in Council may make	invoice for the purposes of section 5.1; c. for the purposes of section 5.11, prescribing persons or classes of persons; d. for the purposes of subsection 5.3(1), respecting the frequency with which proper invoices must be given to an owner; e. for the purposes of subsection 5.4(1), respecting the period within which an owner shall pay the amount payable after receiving a proper invoice from the contractor; f. prescribing the form of a notice of non-payment and the manner in which that notice is to be given for the purposes of subsection 5.4(2); g. prescribing the form of a notice of non-payment and the manner in which the documents are to be provided for the purposes of subsection 5.5(5); h. prescribing the form of a notice of non-payment and the manner in which that notice is to be given for the purposes of subsection 5.5(6); i. for the purposes of subsection 5.5(1), respecting the duties of a contractor if the contractor receives a	application of the provisions of this Act and the regulations; b. prescribing persons or classes of persons, contracts or classes of contracts, improvements or classes of improvements or other matters for the purposes of subsection 4(2); c. prescribing information for the purposes of paragraph 6(2)(b); d. prescribing the form and content of notices of non-payment for owners, contractors and subcontractors; e. prescribing rates of interest for the purposes of section 17 and subsection 30(1); f. prescribing criteria for the purposes of subsection 18(1); g. prescribing duties and powers for the purposes of subsections 18(2) and 19(3); h. prescribing matters for the purposes of subsection 20(4); i. respecting the setting of fees, costs and other charges by the Adjudicator Authority; j. governing fees, costs and other charges not set by the Adjudicator Authority, including prescribing fees, costs or charges or prescribing methods for	c. prescribing the period within which an owner must pay the amount payable after receiving a proper invoice from a contractor; d. prescribing the form of a notice of non-payment and the manner in which that notice is to be given; e. respecting the duties of a contractor or subcontractor on receipt of a notice of non-payment; f. respecting the records that persons who are subject to this Division are required to make and maintain, including the length of time for which and the location at which the records must be maintained; g. prescribing matters that may be referred to adjudication; h. prescribing criteria for the designation of a person or entity as the adjudication authority; i. establishing the procedures for the making of complaints against the adjudication authority; j. prescribing the requirements for registration as an adjudicator; k. prescribing the form of notice of adjudication; respecting the timing for, manner in which,	which it is to be submitted; b. the form and content of a proper invoice and the manner in which it is to be submitted; c. the form and any additional content of a notice of non-payment and the manner in which it is to be submitted; d. the powers, duties and functions of the Adjudicator Authority; e. the eligibility and qualifications of individuals who may be designated as adjudicators; f. the powers, duties and functions of adjudicators; g. the maximum fees for the services of an adjudicator; h. the form and any additional content of a notice of adjudication and the manner in which it is to be submitted, and; i. the procedure and time limits governing the adjudication (FPPCW, s.22). The Governor in Council may make regulations generally for carrying out the purposes and provisions of this Act, including regulations prescribing: a. criteria for the purpose of subsection 6(1), and

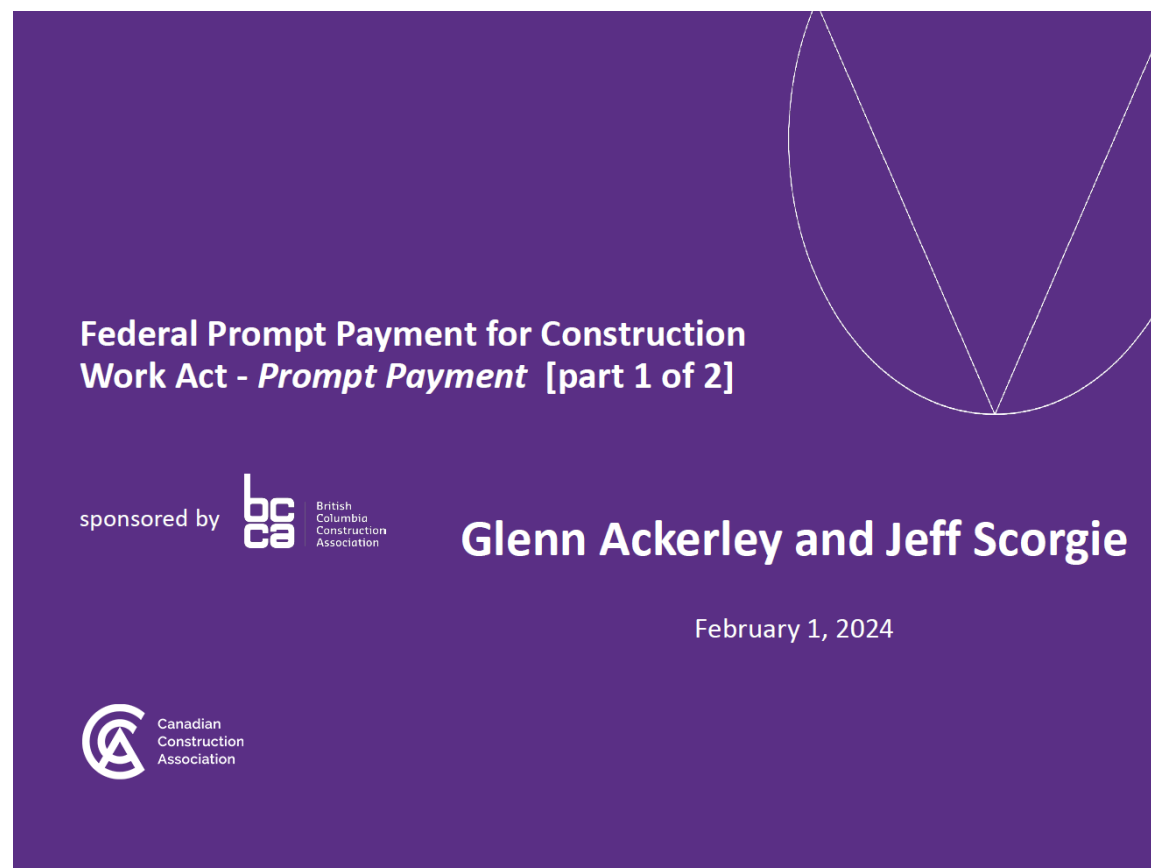
PROMPT PAYMENT WORKING GROUP

An industry working group has been established and managed by the Ministry of the Attorney General to accelerate progress on prompt payment legislation.


The group is tasked with providing industry expertise and guidance to shape development of legislation specifically for BC, informed by the cross-jurisdictional analysis.

Educational sessions on Prompt Payment and Adjudication were hosted by BCCA to facilitate meaningful discussions.

BCCA SPONSORS FEDERAL PROMPT PAYMENT EDUCATION




Federal Prompt Payment for Construction Work Act - *Prompt Payment* [part 1 of 2]

sponsored by  British Columbia Construction Association

Glenn Ackerley and Jeff Scorgie

February 1, 2024

 Canadian Construction Association

Visit the BCCA website at
bccassn.com/industry-priorities/prompt-payment/
for more information

THANK YOU.



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